GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2025
ANSWERED ON:28.11.2016
GSPL Consortium for Gas Pipeline
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Gujarat State Petronet Limited (GSPL) led consortium with Indian Oil Corporation Limited, Bharat Petroleum Corporation Limited and Hindustan Petroleum Corporation Limited to develop Mehsana-Bhatinda-Jammu-Srinagar pipeline and Mallavaram-Bhopal-Bhilwara-Vijaipur pipeline projects;
(b) if so, the details thereof and the present status of the said project along with the mode of investment;
(c) whether the Government of Gujarat has requested for providing capital grants/viability gap funding for GSPL India Gasnet Limited and GSPL India Transco Limited along with grant of license for development of City Gas Distribution networks on nomination basis on the lines of support provided to GAIL Jagdishpur-Haldia project; and
(d) if so, the details thereof along with the action taken by the Government on such request?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)
(a) & (b): Petroleum & Natural Gas Regulatory Board (PNGRB) under the provisions of PNGRB Act,2006 has authorized Gujarat State Petronet Limited (GSPL) (52% equity share) led consortium with other partners as Indian Oil Corporation Limited (IOCL) (26% equity share), Bharat Petroleum Corporation Limited (BPCL) (11% equity share) and Hindustan Petroleum Corporation Limited (HPCL) (11% equity share) to develop Mehsana-Bhatinda-Jammu-Srinagar Pipeline (MBJSPL) and Mallavaram-Bhopal-Bhilwara-Vijaipur Pipeline (MBBVPL) projects. This consortium has incorporated two separate Special Purpose Vehicles (SPVs) viz. GSPL India Gasnet Limited (GIGL) and GSPL India Transco Limited (GITL) for development of these natural gas pipeline projects. GIGL is developing MBJSPL project of about 2100 Km length which traverses through total 29 Districts in the States of Gujarat, Rajasthan, Punjab, Haryana and Jammu & Kashmir. GITL is developing MBBVPL project of about 2042 Km length which traverses through total 33 districts in the States of Gujarat, Rajasthan, Madhya Pradesh, Maharashtra, Telangana and Andhra Pradesh.
Both the above projects have received all major statutory clearances from concerned authorities viz. Ministry of Environment & Forest (MoEF), Petroleum & Explosives Safety Organization (PESO), Forest & Wildlife Authority etc.
Notifications under Section 3(1) and 6(1) of Petroleum and Minerals Pipeline (PMP) Act, 1962 have been published in official gazette for acquisition of Right of User (RoU) in all the States under these projects.
PNGRB has granted time extension to GIGL and GITL for completion of the above projects upto December, 2017.
The mode of investment in the said project is through Debt and Equity. As on 30th September 2016, GIGL has invested Rs 255 Crore for MBJSPL project and GITL has invested Rs 190 Crore for MBBVPL project.
(c) & (d): The Government of Gujarat in the month of October, 2016 has requested the Ministry of Petroleum & Natural Gas (MoP&NG), to consider a capital grant of 40% to GIGL and GITL for the development of MBJSPL and MBBVPL projects and also grant of authorization for development of City Gas Distribution networks on nomination basis on the lines of support provided to GAIL for its Jagdishpur-Haldia and Bokaro-Dhamra natural gas pipeline project.
However, prior to above, the Government of Gujarat had also approached the Ministry of Finance for financial support from the Asian Development Bank (ADB) to GITL for execution of MBBVPL project. Keeping in view the importance of this pipeline project, MoP&NG has conveyed its support to the request of Government of Gujarat for financial assistance from ADB to the Ministry of Finance in this regard.
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